## REMARKS

In the Final Office action[1], the Examiner rejected claims 1-10 under 35 U.S.C.

§ 103(a) as being unpatentable over U.S. Patent 6,415,320 to Hess et al. ("*Hess*") in

view of U.S. Patent 6,466,917 to Goyal et al. ("*Goyal*"), in further view of In re Venner et

al., 120 U.S.P.Q. 192 (C.C.P.A. 1958) and in further view of Gralla, "How the Internet

Works" ("*Gralla*").

Applicants respectfully traverse the rejection of claims 1-10. Even if combinable

as suggested by the Examiner, *Hess, Goyal, In re Venner,* and *Gralla* fail to disclose or

suggest the claimed subject matter. For example, independent claim 1 recites a

method of conducting a network auction comprising, among other things, the steps of:

> recording an identification (ID) code of said bidder
> client when said bidder client requests a notification of the
> information pertaining to said auction exhibit item, wherein
> the identification (ID) code identifies an address of the bidder
> client; and

> notifying an updated transaction price to the address
> of the bidder client having said identification (ID) code
> automatically when a transaction price changes due to a bid
> submitted by another bidder client.

*Hess* does not disclose the claimed method. On page 2 of the Final Office

action, the Examiner states that *Hess*, at column 9, lines 41-67, discloses the claimed

method. Applicants respectfully disagree.

*Hess* discloses information presentation and management in an online trading

environment. Person to person commerce is facilitated by providing prospective buyers

with the ability to quickly preview items for sale. Images are then harvested from a

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[1] The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified herein, Applicants decline to automatically subscribe to any statement or characterization in the Office Action.

plurality of different sites based upon user-supplied information (Abstract). As stated by the Examiner in a previous Office action, *Hess* discloses a harvesting process notifying the thumb server that new thumbnails are available. Clients interact with the thumbnail management process to receive image data (col. 5, lines 25-31).

*Hess*, at column 9, lines 41-67 discloses an item presentation format for an online person-to-person trading site. In response to a user query, such as a request for a particular page 970 within a particular category 960, a list of items 905 is displayed to the users. In the example disclosed by *Hess* and also shown in Fig. 9, each individual item 910 includes a thumbnail image 920, a title 915, a current minimum bid 930, and the auction ending time 950.

*Hess* merely discloses notifying a server when new thumbnails are available. Because the current minimum bid disclosed by *Hess* is provided in response to a user query, *Hess* does not disclose automatically notifying an updated transaction price to an address a bidder client having an identification (ID) code, identifying an address of the bidder client.

*Goyal* also fails to disclose the claimed method, including the step of notifying an updated transaction price to the address of the bidder client having said identification (ID) code automatically when a transaction price changes due to a bid submitted by another client. *Goyal* discloses verifying the identity of a participant in a network-based transaction. User interface information is provided to the participant via a communications network. The information is then passed to a third party for verification via the communications network. A verification result is then received from the third party. That result is then passed to the participant (Abstract). Because *Goyal* merely

discloses real-time web-based verification of a participant's identity by a reliable source (col. 4, lines 19-21), it does not disclose automatically notifying the address of a bidder client, having the identification (ID) code, of an updated transaction price.

According to the Examiner, *Gralla* discloses that images presented are sent to the webpage and can be viewed by a remote client (Office action[2] at p. 3). While *Gralla* discloses sending images to a remote client, it does not disclose the step of notifying an updated transaction price to the address of the bidder client having said identification (ID) code automatically when a transaction price changes due to a bid submitted by another bidder client.

None of *Hess*, *Goyal*, or *Gralla* disclose a method including the step of notifying an updated transaction price to the address of the bidder client having said identification (ID) code automatically when a transaction price changes due to a bid submitted by another client. Therefore, the subject matter of claim 1 would not have been obvious to one of ordinary skill in the art in view of *Hess*, *Goyal*, and *Gralla*. Accordingly, for at least these reasons, Applicants respectfully request that the Examiner withdraw the rejection of claim 1 under 35 U.S.C. § 103(a).

Independent claims 2-8, although of different scope, recite similar limitations. Applicants further submit that claims 9-10 depend from one of the independent claims and are therefore allowable for at least the same reasons that independent claims 1-8 are allowable. In addition, each of the dependent claims may recite unique combinations that are neither taught nor suggested by prior art.

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[2] Non-final Office action dated May 2, 2006.

The Examiner continues to rely on In re Venner, as allegedly showing that to make a manually known step automatic was not considered patentable. Applicants respectfully disagree wit the Examiner's interpretation of In re Venner.

Applicants respectfully submit that the Examiner's use of the court's rationale in In re Venner is improper because the facts in the decision are not sufficiently similar to those in the application under examination. For example, the cited method recites automatically notifying an updated transaction price to the address of the bidder client. The updated transaction price is not known to the bidder client, since the transaction price changes due to a bid by another client.

Because the updated price is not known to the bidder client, the Examiner's assertion that the claimed method "replaces a manual activity" is incorrect. Instead, in the claimed method, the notification is automatically provided when the transaction price changes due to a bid by another client. Therefore, Applicants respectfully submit that reliance on In re Venner for the Examiner's rejection under 35 U.S.C. § 103(a) is improper and respectfully request the Examiner withdraw the rejection of claims 1-10.

In view of the foregoing amendments and remarks, Applicants respectfully request reconsideration of this application and the timely allowance of the pending claims.
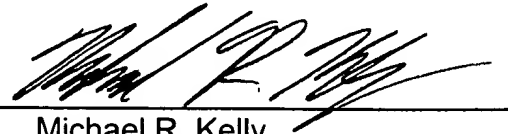
Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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Dated: January 19, 2007          By: _____

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